

AUG 2 9 2011 Environmental

STATE OF WASHINGTON DEPARTMENT OF ECOLOGY

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August 25, 2011

Mr. Dennis McLerran, Regional Administrator U.S. Environmental Protection Agency, Region 10 1200 Sixth Avenue, Suite 900 Seattle, Washington 98101

RE: Wyckoff Point - Treatment System Operations and Permanent Remedy Preliminary Design

Dear Mr. McLerran:

On June 3, 2011, I sent you a letter regarding funding and implementation for a permanent remedy at Wyckoff Point on Bainbridge Island. Following receipt of the June letter, you and I, along with our senior staff, discussed how to proceed.

In those recent conversations, EPA has requested that the Washington State Department of Ecology (Ecology) take full responsibility for operations of the existing groundwater extraction-treatment system at the site for a two-year period. During this time, EPA would perform preliminary remedial design, cost estimate refinement and other tasks to help resolve questions related to implementing a potential permanent mass-removal remedy.

We have discussed your request internally at Ecology, and have determined that we are willing to implement your proposed approach, based on the understandings articulated in this letter. As you know, because of the unique value of this Puget Sound waterfront resource and the significant risks, as well as tribal and community concerns associated with the site, Ecology is committed to facilitating and contributing to a process that moves toward implementation of a permanent mass-removal remedy.

We are willing to move forward with the following understandings:

• Ecology will assume operations of the existing interim extraction-treatment facility at Wyckoff Point, beginning April 1, 2012. We will take full funding and implementation responsibility for operations and maintenance of the system for a two-year term, through March 31, 2014. We require the period of time between now and April 1, 2012, to put the agreements, contracting, and funding in place for this obligation. In determining the ultimate cost share for the state toward the permanent remedy, it is my expectation that funds expended during this two-year period would be included in those discussions.

- Responsibility for funding and implementation of operations and maintenance of the system will return to EPA on April 1, 2014.
- Between **now and March 31, 2014**, EPA will perform preliminary remedial design, cost estimate refinement and other tasks to help resolve questions related to implementation of a potential permanent mass-removal remedy that will most efficiently remove mobile Non-Aqueous Phase Liquid (NAPL) to the maximum extent practicable. This work will be conducted on an agreed-to schedule, with milestones that can be tracked by EPA and Ecology. If this work does not proceed as anticipated, Ecology will engage EPA in discussions about Ecology' continued obligation to operate and maintain the extraction-treatment system through **April 1, 2014**.
- Work to be performed by EPA in this period and associated milestones will be defined in the State Superfund Contract. The purpose of this work is to obtain a strong, preliminary design understanding of the components, costs and durations of the in-situ thermal treatment remedy that will most efficiently remove mobile NAPL to the maximum extent practicable. This work will generally include the following tasks:
 - NAPL area refinement and evaluation using TarGOST technology.
 - Thermal treatment modeling and preliminary design for the system and operations.
 - PSE negotiations relating to power availability.
 - Clarification of Remedial Action Objectives (RAOs), in coordination with Ecology.
 - Preliminary design of capping and site restoration components.
 - Record of Decision (ROD) Amendment or Explanation of Significant Difference (ESD), with associated public process defining the proposed plan.
- The preliminary remedial design, cost estimate refinement and other tasks that EPA will complete in this period will provide the basis for EPA and Ecology to negotiate a funding and implementation framework for the remedial action and long-term care responsibilities. Successful conclusion of these negotiations will form the basis of our obligations for the site from 2014 onward.

These understandings would be documented in a new State Superfund Contract that will be executed by EPA and Ecology before December 15, 2011.

If we are in agreement about this approach, I would like to recommend that your staff undertake the first draft of the State Superfund Contract.

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Before closing, I want to make the point that, although we are willing to take over the operations and maintenance of the interim extraction-treatment system for this two-year term, we remain concerned about changing operating contractors for the system for an interim period mid-stream. I would like to offer you again the alternative approach in which Ecology provides full funding for the two-year term to EPA, so that EPA can maintain its current operational team without a gap in continuity.

After you have had the opportunity to review the content of this letter with your staff, please contact me to discuss how we proceed. My staff and I look forward to continuing to work closely with you on this very important project.

Sincerely,

Jed Sturdevant by Bolly Zohm

Ted Sturdevant Director

cc:

Tim Nord - Ecology, Toxics Cleanup Program

Don Opalski – USEPA

Jim Pendowski - Ecology, Toxics Cleanup Program Manager

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